

## Message Text

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PAGE 01 STATE 079185

62

ORIGIN XMB-07

INFO OCT-01 ARA-16 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 SP-03

CIEP-02 LAB-06 SIL-01 OMB-01 L-03 /096 R

66616

DRAFTED BY: XMB:TPDOUGHTY

APPROVED BY: EB/OCA/REP:LHPOMEROY

XMB:CEHOUSTON

XMB:WARRENWGLICK

EB/IFD/ODF:EMLINTON

ARA/LA:DIKEMPE

----- 111469

R 182121Z APR 74

FM SECSTATE WASHDC

TO AMCONSUL RIO DE JANEIRO

INFO AMEMBASSY BRASILIA

AMCONSUL SAO PAULO

UNCLAS STATE 079185

E.O. 11652: N/A

TAGS: EFIN, BR

SUBJ: EXIMBANK FINANCING FOR RFFSA

REF: RIO 1283

1. THE BOARD OF DIRECTORS OF EXIMBANK HAS AUTHORIZED A \$22,500,000 CREDIT TO REDE FERROVIARIA FEDERAL S.A. ("RFFSA") TO FINANCE 45 PERCENT OF THE COST OF RAILWAY TRACK (\$25,000,000) AND DIESEL ELECTRIC LOCOMOTIVES (\$25,000,000) REQUIRED FOR BRAZIL'S EXPORT CORRIDORS AND RAILWAY REEQUIPMENT PROGRAMS.

2. TERMS CALL FOR THE BORROWER TO MAKE A CASH PAYMENT OF 10 PERCENT OF THE COST OR \$5,000,000. THE BALANCE OF 45 PERCENT OR \$22,500,000 WILL BE PROVIDED BY A COMMERCIAL BANK OR BANKS TO BE DESIGNATED BY RFFSA AND WILL BE GUARANTEED BY EXIMBANK.

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PAGE 02 STATE 079185

REPAYMENT TO BE MADE SEMIANNUALLY OVER A PERIOD OF 7 YEARS,

BEGINNING NOVEMBER 10, 1976.

3. REQUEST EMBASSY ADVISE LISBOA LOPES OF RFFSA OF THIS ACTION, WHICH WILL BE DETAILED IN LETTER TO RFFSA. FURTHER ADVISE BORROWER NEWS RELEASE INCLUDING ABOVE DETAILS SCHEDULED FOR ANNOUNCEMENT HERE NEXT TWO WEEKS UNLESS EMBASSY OR BORROWER STATE OBJECTIONS. EMBASSY WILL BE PROVIDED FINAL TEXT OF RELEASE PRIOR TO WASHINGTON RELEASE. DRAFT CREDIT AGREEMENT WILL BE PREPARED BY EXIMBANK AND MAILED TO RFFSA AS SOON AS PRACTICABLE. ARRANGEMENTS FOR SIGNING CREDIT AGREEMENT CAN BE MADE AFTER RFFSA HAS REVIEWED DRAFT OF AGREEMENT. CONSEQUENTLY, EXIM NOT PREPARED TO COMMIT TO SIGNING WITH RFFSA DURING PERIOD APRIL 29-MAY 5.

4. OTHER THAN DISCUSSION WITH BORROWER, REQUEST ABOVE INFORMATION BE WITHHELD PRIOR TO SUBJECT PRESS RELEASE.  
KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** RAILROADS, BANK LOANS, CREDIT GUARANTEES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 APR 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE079185  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** XMB:TPDOUGHTY  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740091-0208  
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**Office:** ORIGIN XMB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** RIO 1283  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** kellerpr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 10 SEP 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <10 SEP 2002 by BryanSD>; APPROVED <27 DEC 2002 by kellerpr>  
**Review Markings:**

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US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EXIMBANK FINANCING FOR RFFSA  
**TAGS:** EFIN, BR, US, XMB, RFFSA-REDE FERROVIARIA FEDERAL S A  
**To:** RIO DE JANEIRO  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005